

OFFICE OF THE CITY MANAGER

NO. LTC # 178-2012

LETTER TO COMMISSION

TO:

Mayor Matti Herrera Bower and Members of the City Commission

FROM:

Kathie G. Brooks, Interim City Manager

DATE:

July 12, 2012

SUBJECT: Miami Beach Stage Door Theater at the Byron Carlyle

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The purpose of this LTC is to provide you with a summary of the first full year of activity under the Management Agreement between the City and Stage Door Theater for the management of the Byron Carlyle Theater. As you recall on April 13, 2011, the Mayor and Commission adopted Resolution No. 2011-27648, approving a Management Agreement between the City and Stage Door Theater for the Byron Carlyle Theater. The Agreement has an initial term of five (5) years, commencing on May 1, 2011 (Commencement Date) and ending on April 30, 2016 (Expiration Date). The City has the option of renewing the Agreement, at its sole discretion, and provided that Stage Door is in good standing, free of default, and has met its annual benchmarks, for up to five (5) years. The option to renew may be exercised in five (5) one (1) year terms, or in multi-year terms (as the City determines), by providing at least 365 days notice to Stage Door.

Under the Agreement the facility must only be used as a live theatrical entertainment venue and public auditorium, and must operate on a year-round basis. Ancillary uses that customarily relate to such primary use are also permitted, including, without limitation, broadcasting, recording, filming, private parties or functions, food and beverage concessions, in each case in conjunction with an event or rental function then being held; and sale of merchandise related to any event then being held. Stage Door also is responsible for maintaining the facility on a day-to-day basis, but is not required to pay any costs related to major capital improvements or facility infrastructure.

In order to ensure the continuous operation of the facility, Stage Door is required to have at least 200 events annually, except for the first contract year of the Term, in which 75 events were required.

Stage Door provides a discount ticket program available only to City of Miami Beach residents, who receive a ten percent (10%) discount off of the full value of the tickets. Children under the age of twelve (12) years old are able to purchase tickets for \$16.00. Stage Door also has the ability to operate a summer camp if it is financially feasible to do so, and must also offer a free Young Ambassador program for Miami Beach students with an interest in the performing arts, as well as an internship program for teenagers. Other requirements of the Agreement include participation in Miami-Dade County's Golden Ticket and Culture Shock programs (which offer discounted tickets to the elderly and teenagers, respectively;) having a full-time staff person on site, and the creation of a local Advisory Board.

For the Term of the Agreement, Stage Door shall pay the City a nominal Annual Use Fee for the right to use the facility, in the amount of One Dollar (\$1.00) annually. To help defray the costs of certain major capital repairs and replacements to the Facility, Stage Door shall

make annual contributions to a Capital Fund, to be held and disbursed by the City, in the amount of \$5,000.00, paid in equal monthly installments.

Paragraph 5.3.15 of the Agreement allows Stage Door to license or allow use of the facility by short-term users of less than sixty (60) consecutive days, provided such users provide certificates of insurance and executed indemnification agreements. Stage Door may enter into longer such agreements with the permission of the City Manager.

On April 11, 2012, the Mayor and City Commission approved a request from Stage Door to enter into an Agreement with Miami Children's Theatre (MCT) to use the Byron Carlyle Theater concurrently with Stage Door, for an Initial Term to run from March 1 through August 10, 2012, for public performances, theater classes and a summer camp for children. During the Initial Term, MCT and Stage Door may negotiate the terms of a longer term agreement, and if they do so, such longer term agreement shall then replace this Agreement. During the Initial Term MCT will make monthly payments to Stage Door in the amount of \$2,000 per month for March, April and May; \$3,000 per month for June and July; and \$1,000 for August 1 through August 10, 2012.

During their first year in residency at the Byron Carlyle, Stage Door hosted 80 events (five more than the 75 required by the Agreement in the first year.) Total attendance was 5,231; 344 people, approximately 15% of the total, took advantage of the Resident Discount Program. Discount tickets were also offered through the Golden Ticket and Culture Shock programs, but only two were used, since they joined these programs after the printing of the season brochures. Stage Door has contacted the Miami Dade Department of Cultural Affairs to assure greater participation in both programs next season. Additional half-price tickets are offered through Cultural Connection.

Stage Door presented five of its own productions in season one: "Suds," "Song Man, Dance Man," "Prisoner of Second Avenue," "Last of the Red Hot Lovers," and "Six Dance Lessons in Six Weeks." Other productions included a Nicole Henry concert, a bellydance showcase, and three different shows by MCT. MCT's summer camp is currently in residence with 40 children participating. MCT will produce two (2) additional shows as part of their summer camp program.

Stage Door's final first year budget is attached. It shows an operating deficit of -\$207,903, which Stage Door expected in its first year. Admission income was \$64,334. Complimentary admissions totaled \$71,272.

Stage Door did not deem its Young Ambassador program a success. Only two teens responded to its outreach to the schools, and each worked for one quarter only. Six teens from the Teen Job Corps worked as ushers, at the box office and concession stand from July 2011 to March 2012, and received community service hours for their work. To improve the marketing of, and participation in, the Young Ambassadors and Student Internship programs in the coming season, Stage Door will communicate this summer with Nina Duval, who heads the English and Arts programs at Beach High (and chairs the City's Cultural Arts Council) and with Julio Magrisso, Assistant Director of Parks & Recreation. It is anticipated that members of Parks & Rec's Teen Drama Club will be eager to work alongside the professional Stage Door cast and crew.

The required Advisory Board includes Harvey Burstein, Mark Weithorn, Flo Moss, Dr. Jules Oaklander and Arthur Whitelaw, along with Stage Door's Derelle Bunn, David Torres and Dan Kelley. The advisory Board meets regularly. Stage Door is seeking greater participation on its advisory board from city staff and CAC members, and has offered to change the board's meeting schedule to make this possible.

Stage Door has just completed the run of its production of "Death Trap." Scheduled for next

season are "The Immigrant," "Side by Side by Sondheim," "I Love a Piano," and "Jeffrey," as well as at least three anticipated MCT productions. Stage Door is currently negotiating with MCT to continue children's theater activities through the coming year, and they are in discussion with presenters of Spanish-language performances in the hopes of increasing usage. A recent generous donation from board member Harvey Burstein will allow for a direct mail campaign to deliver a new season brochure to targeted zip codes in Miami Beach, Surfside, Bal Harbour, Sunny Isles and Aventura. Stage Door's heavy public relations and advertising efforts will continue as well. As a Miami Beach-based nonprofit cultural institution offering year-round programming, Stage Door was accepted this year as a qualifying Cultural Anchor by the CAC, and has been recommended to receive a grant of \$15,985 from the City for fiscal year 12/13. A copy of their projected budget for FY 12/13 is attached.

Please contact me if you would like further information.

## KGB/MAS/GF

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## Miami Beach Stage Door Actual Budget 2011-2012

## Miami Beach Stage Door 2011-2012 Operating Budget Actual 2011-12 **EXPENSES** CASH IN-KIND Personnel: Administrative 30,000 Personnel: Artistic 38,650 Outside Artistic Fees/Services 49,275 Marketing: ADV/PR/Printing/Publication 27,400 Marketing: Web Design/Support/Maintenance 1,000 Capital Reserve 5,352 Insurance 14,400 Utilities 63,600 General Building Maintainence/Houskeeping supplies 6,000 Microphones and Sound Equipment Purchased 4,600 Other Operating Expenses (see detail table below) 50,260 Subtotals: CASH Expenses / In-Kind 290,537 **TOTAL EXPENSES** 290,537 Actual 2011-12 **REVENUES** CASH IN-KIND \* Admissions PAID 64,334 Rental Income 5,000 Gov't Grants: Local 2,300 Donations 11,000 Subtotals: CASH Revenues / In-Kind 82,634 **TOTAL REVENUES** 82,634 SURPLUS / (DEFICIT) -207,903 \*\$71,272 of Ticket admissions were given away complimentary OTHER OPERATING EXPENSES (DETAIL) Actual 2011-12 CASH IN-KIND Set Builds/Load in and load out 23,000 Costumes and Props 8,150 12,000 Royalties Weekly Running Crew Labor 4,450 Weekly Misc Expenses, Dry cleaning etc 2660 **Total Other Operating Expenses** 50260

## Miami Beach Stage Door Projected Budget 2012-2013

	Projected 2	012-13
EXPENSES	CASH	IN-KIND
Personnel: Artistic	15,000	1
Outside Artistic Fees/Services	35,000	
Marketing: ADV/PR/Printing/Publication	50,000	
Marketing: Web Design/Support/Maintenance	1,000	
Capital Reserve	5,352	
Insurance	14,400	
Utilities	46,800	A STATE OF THE STATE OF
General Building Maintainence	7,200	
Other Operating Expenses (see detail table below)	53,250	
Subtotals: CASH Expenses / In-Kind		
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REVENUES	CASH	IN-KIND
Admissions	180,000	and the second of the second o
Rental Income	19,000	
Gov't Grants: Local	32,000	
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Subtotals: CASH Revenues / In-Kind TOTAL REVENUES		
TOTAL REVENUES	231,000	
SURPLUS / (DEFICIT)	2,998	
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	Projected 20	17-12
OTHER OPERATING EXPENSES (DETAIL)	Projected 20	
	CASH	IN-KIND
OTHER OPERATING EXPENSES (DETAIL) Set Builds/Load in and load out	<b>CASH</b> 20,000	IN-KIND
OTHER OPERATING EXPENSES (DETAIL)  Set Builds/Load in and load out  Costumes and Props	20,000 10,000	IN-KIND
OTHER OPERATING EXPENSES (DETAIL)  Set Builds/Load in and load out  Costumes and Props  Royalties	20,000 10,000 7,500	IN-KIND
OTHER OPERATING EXPENSES (DETAIL)  Set Builds/Load in and load out  Costumes and Props Royalties  Neekly Running Crew Labor	20,000 10,000 7,500 13,500	IN-KIND
OTHER OPERATING EXPENSES (DETAIL)  Set Builds/Load in and load out  Costumes and Props  Royalties	20,000 10,000 7,500	IN-KIND